

Beijing, implacably opposed to the island-nation's existence, succeeded with this muscular diplomacy—missile tests, mock landings and war games. After all, the stock market dipped and successionist politicians had limited resonance during the election.

So why are the mandarins in Beijing worried? Perhaps it is because on the heels of Hong Kong's democratic election that saw the defeat of pro-Mainland candidates, Taiwan has emerged as the Asian democratic model; and the first successful, full-blown democracy in five millennia of Chinese history, underscores the difficulty of reunion with China. Or perhaps the mandarins in the Forbidden City realize that their options have narrowed; that the use of force against Taiwan would be a disaster for U.S.-China relations and U.S. credibility and, most of all, would tear the web of Asian security and economic relationships that have sustained China's and the region's growth. We shall see.●

SOUTHERN UNIVERSITY NATIONAL FOOTBALL CHAMPIONSHIP

● Mr. BREAUX. Mr. President, I would like to take this opportunity to congratulate Southern University of Baton Rouge, LA, for winning this year's historically black college national football championship. With their victory in the Heritage Bowl on December 29, 1995, the Jaguars of Southern University won their sixth national football title and their first since 1960.

The Jaguars, who finished the season with an 11-0 record, captured the national title in a 30 to 25 victory over Florida A&M in the Georgia Dome in Atlanta.

I would like to especially congratulate Coach Pete Richardson, his staff, and an outstanding group of players for all the hard work and effort they put into making this a championship season. Your undefeated record and national title are bright examples of the rewards of teamwork and determination. Thank you for bringing another national championship to Baton Rouge and for making Louisiana proud.●

THE STATE OF PUERTO RICO

● Mr. SIMON. Mr. President, Senator Charles A. Rodriguez, the majority leader of the Puerto Rico Senate, recently had an op ed piece in the Washington Post that speaks with candor about our fellow Americans from Puerto Rico. We should be paying attention to his words, which I ask to be printed in the RECORD.

The reality is that commonwealth status—supported strongly by powerful American corporations who benefit from it financially—is simply another form of old-fashioned colonialism.

Puerto Ricans should have the rights that Americans have in our 50 States.

Eventually, Puerto Rico will either go independent or become a State. From the viewpoint of our 50 States and from the viewpoint of the people of Puerto Rico, statehood makes much more sense.

But that is a decision they have to make.

The special financial breaks that certain corporations get should not be a barrier to an improved life for the citizens of Puerto Rico, and that is the reality today.

The op-ed follows:

[From the Washington Post]

THE STATE OF PUERTO RICO

(By Charles A. Rodriguez)

Two years ago, when Puerto Rico voted to remain a U.S. commonwealth—again rejecting statehood—many thought the issue was settled for years to come. In fact, the plebiscite raised more questions than it resolved.

The vote exposed the undue influence of discredited economic arrangements on the island's political process and the myth of commonwealth autonomy, both cornerstones of our second-class U.S. citizenship. Today proponents of the status quo are on the defensive in both Puerto Rico and in Washington.

The plebiscite was held as the Clinton administration sought repeal of Section 936 of the federal tax code, which exempts U.S. companies' Puerto Rican operations from federal taxation—a subsidy that has cost the Treasury nearly \$70 billion since 1973.

Faced with immediate loss of their lucrative tax break or eventual termination if islanders voted for statehood, companies spent millions of dollars fending off Congress while cajoling workers to vote against statehood or else face job losses and plant relocations.

Meanwhile, status quo proponents campaigned for "enhanced commonwealth," replete with promises of expanded political autonomy and parity with the 50 states in the financing of federal programs—all this while preserving the immunity of Puerto Rico's 3.7 million U.S. citizens from federal taxation.

Despite the cacophony of economic demagoguery and "something for nothing" hyperbole, commonwealth failed for the first time in 40 years to get an outright majority. It won with a plurality of 48.6 percent, against 46.3 percent for statehood and 5.1 percent for independence. Compare this narrow margin of victory with that of 1952 (68 percent) and that of 1967 (21 percent), and the tide against the status quo becomes unmistakable. The false promise behind the alternative of "enhanced commonwealth" will do nothing to stem it. For given its current budget-cutting exercises, Congress is clearly in no mood to maintain even current levels of federal funding for Puerto Rico programs, much less ante up the additional \$3 billion to \$4 billion necessary to bring them up to par with the states.

Meanwhile, a groundswell of public opinion has arisen in Washington against preserving "corporate welfare." That's why Section 936 is again under review, as it should be: It has made the island dependent on the whims of Congress and has stifled alternative economic development schemes.

Worse, as now constituted, 936 has failed to generate the jobs and capital investment that were its reasons for being. Witness our chronic unemployment rate, which is twice the mainland's, and our per capita income, half of Mississippi's.

Revision of 936 could present Puerto Rico with opportunities to attain significant new economic and political objectives; full participation and parity in all federal programs, sustained economic growth and, eventually, statehood.

Rep. Don Young (R-Alaska), chairman of the House Resources Committee, has floated one promising proposal toward these ends. In exchange for ending 936 he would phase in full state-like programs for Puerto Rico and encourage private-sector growth through capital grants for infrastructure develop-

ment and through private and nonprofit enterprise financing to spur new industries.

Young's proposal would also, for the first time, subject island residents to federal taxation. Combined with the \$3 billion savings from ending the 936 tax credit, this would mean that the U.S. Treasury would see no diminution in revenues.

Many statehood advocates balk at this "halfway" solution to securing first-class citizenship for Puerto Ricans. They maintain that economic equality would weaken efforts to achieve political equality through a 51st star. In other words, total economic and political equality or nothing.

Other point to the absurdity of Puerto Ricans agreeing to pay more taxes while everyone else is looking to reduce theirs. But the fact is that we already have high tax rates in Puerto Rico. They're necessary to finance activities typically provided elsewhere by the federal government. It's safe to assume that as program costs are shifted to Washington, Puerto Ricans will see little change in their tax burden.

Nonetheless, revision of 936 might accelerate the movement to statehood: No longer would 936 companies have a vested interest in maintaining the status quo.

Given today's economic and political climate, Puerto Rico may face the same hard choice under option: cut programs or raise taxes. But as a colony deprived of Washington representation we will have no say in the discussions leading up to that fateful decision.

It's no wonder that 2.5 million Puerto Ricans have left the island for the mainland knowing that the political and economic benefits of statehood far outweigh the burdens of federal taxation. We share their ambition to be full-fledged Americans here at home, just as we always have shared with all U.S. citizens the duty to defend democracy abroad.●

PROVIDING FOR PROVISIONAL APPROVAL OF OFFICE OF COMPLIANCE REGULATIONS

Mr. DOLE. Mr. President, I ask unanimous consent the Rules Committee be discharged from further consideration of House Concurrent Resolution 123 and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 123) to provide for the provisional approval of regulations applicable to certain covered employing offices and covered employees and to be issued by the Office of Compliance before January 23rd, 1996.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. DOLE. I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, and any statements related to the concurrent resolution be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 123) was agreed to.